VZCZCXRO3952 RR RUEHCN RUEHGH DE RUEHGH #0276/01 2050858 ZNY CCCCC ZZH R 230858Z JUL 08 FM AMCONSUL SHANGHAI TO RUEHC/SECSTATE WASHDC 6988 INFO RUEHBJ/AMEMBASSY BEIJING 1976 RUEHCN/AMCONSUL CHENGDU 1302 RUEHSH/AMCONSUL SHENYANG 1300 RUEHGZ/AMCONSUL GUANGZHOU 1273 RUEHHK/AMCONSUL HONG KONG 1443 RUEHIN/AIT TAIPEI 1111 RUEHKO/AMEMBASSY TOKYO 0328 RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 0016 RUEHGH/AMCONSUL SHANGHAI 7556

C O N F I D E N T I A L SECTION 01 OF 03 SHANGHAI 000276

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SUBJECT: SHANGHAI ACADEMICS ON CHINA-JAPAN RELATIONS

REF: A) SHANGHAI 273; B) SHANGHAI 804

CLASSIFIED BY: Veomayoury Baccam, Acting Political/Economic Section Chief, U.S. Consulate , Shanghai .

REASON: 1.4 (b), (d)

11. (C) Summary: China's leading academic experts on Japan are cautiously optimistic that the relationship will continue to build on recent positive developments. High-level visits by leaders on both sides, Japan's relief effort in the aftermath of the Sichuan earthquake, the port call to China by Japan's military vessel, and the bilateral agreement to jointly develop gas fields in the East China Sea have all contributed to a significant warming of relations and positive portrayal of Japan in the Chinese media. However, this optimism is tempered by still-unresolved historical issues, distrust and lack of mutual understanding between the general public of both countries. Regarding abductees, the academics argued that the issue should not be an integral part of the Six Party Talks and should be "separated" from the central issue of resolving North Korea's nuclear ambitions. End summary.

## High-Level Push to Warm Ties

- 12. (C) Poloff met with Shanghai's leading academics on Japan in mid-July to discuss the current state and future outlook for China-Japan relations. The academics all characterized the relationship as moving in the right direction, largely propelled by a series of high level visits on both sides over the past year. Wang Shaopu, Director of the Center of Japan Studies, Shanghai Academy of Social Sciences (SASS), opined that China wanted to resolve outstanding bilateral issues in the past but was prevented from doing so politically because of then Japanese Prime Minister Koizumi's visits to Yasukuni Shrine. According to Wang, Koizumi's successor, Shinzo Abe, and current Prime Minister Fukuda's more "cooperative, softer approach" have helped build a greater degree of mutual trust. However, Wang echoed a concern among some Chinese of the future relationship after Fukuda leaves office. He rhetorically asked "What will happen if someone like Taro Aso becomes prime minister?"
- 13. (C) Wu Jinan, Senior Fellow, Department of Japanese Studies, Shanghai Institute for International Studies (SIIS), believes there are still a "small number" of politicians in both countries that view the other side with suspicion, but there is a "general consensus" in both governments to develop a more

positive relationship. He observed how 2007 was the first time leaders from both countries visited each other in the same year, and said there will be more opportunities for high level meetings in the second half of 2008.

## Mutual Trust Not Permeating to Grass Roots

- 14. (C) Despite greater mutual trust at the higher levels, Wu thinks there are still underlying currents of distrust and suspicion among the general public on both sides. He stated that many Japanese are psychologically averse to accepting China's rise as an economic great power, while many Chinese cannot accept "Xiao Riben" (a derogatory term literally translated "Small Japan") as an equal partner, mostly for historical reasons. He pointed to three particular issues hindering greater interaction between the Japanese and Chinese public: 1) visa restrictions for Chinese who want to visit Japan; 2) expensive flights between Tokyo and Chinese cities (Wu mentioned that flights from Shanghai to Los Angeles are cheaper than Shanghai to Tokyo, calling this a "conspiracy" by airline companies); 3) social discrimination in Japan towards foreigners. He called for more exchanges, particularly involving students, on both sides.
- 15. (C) Gao Lan, Associate Professor of the Institute of Asian-Pacific Studies, SASS, argued there is a generational and regional gap in Chinese perceptions of Japan. She believes youth in their teens and 20s, particularly those in urban areas, know much about Japan through the media and harbor mixed feelings because of their admiration for Japan's economic might and pop culture on the one hand weighed against negative impressions from history. Having grown up during a period of

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China's rapid economic growth, they exhibit stronger nationalism and pride in their country than older generations that experienced the Cultural Revolution, and this confidence colors much of their views on China's relations with Japan and the world. However, Gao thinks this sentiment may not be as widespread in rural areas, where economic conditions have lagged and people are more concerned about their daily lives rather than China's role on the international stage or relations with its neighbors.

Sichuan Aftermath: Japan's Public Relations Success

16. (C) Several recent events have helped improve Japan's image in the eyes of the Chinese public. Wu mentioned the extensive Chinese media coverage of Japan's relief efforts after the Sichuan earthquake in May. Chinese television showed Japanese rescue workers in action and ordinary Japanese citizens collecting money and supplies to help victims. Wu said these images had a "very positive impact" on Chinese perceptions and even brought him to tears. Xia Liping, Deputy Dean of the School of Law and Political Science, Tongji University, called Japan's Sichuan earthquake response a "public diplomacy success" and noted an increase in positive Chinese media coverage of Japan recently. He attributed this to China's willingness to "separate history from current issues", although he qualified this by stating that many ordinary Chinese are still concerned about Japan's interpretation of its history.

## Military Port Call and Gas Agreement

17. (C) Gao called the first ever port call by a Japanese warship to Guangdong, China at the end of June a "ground-breaking" moment that would hopefully lay the foundations for more military exchanges in the future. However, she cautioned that future visits, though welcome, must take into consideration the feelings of the Chinese people. Wang agreed that these visits are closely tied to people's emotions but that the Chinese public will eventually "get used to" such visits. Wu mentioned that the Japanese sailors wore their military

uniforms when touring the Chinese city and, to his surprise (and relief), were greeted warmly by locals in department stores and restaurants. However, he acknowledged that much of this was likely orchestrated by the Chinese government.

¶8. (C) Regarding the joint development of gas fields in the East China Sea, Wu thinks that despite some domestic opposition to the agreement, the majority of Chinese was pleased with the result. He sees the agreement in the context of Chinese President Hu Jintao's vision for regional stability, namely, China's desire to access Japan's advanced energy technology and China's desire to be viewed as a responsible international player. Wang stated that the basic outline for the agreement had been formulated several months beforehand but that its announcement was delayed for various "unclear" reasons. This issue was difficult to resolve because it touched upon nationalistic sentiment on both sides; in the end, it required a push at the higher levels to get completed.

Concerns about the U.S.-Japan Security Alliance

19. (C) The academics expressed concerns about the U.S.-Japan security alliance. Wang argued that the alliance made sense in the 1980s during the Cold War but that its current purpose and necessity are unclear to China. Gao echoed Wang's concerns, stating that China is nervous about Japan's military spending and transfer of advanced technology from the United States. However, they concurred that the alliance does serve the useful purpose of preventing Japan from acquiring nuclear weapons.

Abductees Issue Separate from North Korean Nuclear Issue

110. (C) Wu and Wang argued in separate discussions that the issue of Japanese abductees should not be linked with the issue of resolving North Korea's nuclear development. They both expressed China's sympathy with the Japanese victims but explicitly stated that this issue should not be included in the Six Party Talks. Wu believes China can possibly serve as

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mediator in bilateral talks between Japan and North Korea on this issue. It could also help identify the abductees' remains as a "neutral" third party. (See Reftel A).

## Comments

¶11. (C) The academics were generally more optimistic about the current and future state of China-Japan relations than the academics and students Poloff met in Nanjing in December 2007 (see Reftel B). This may be due to the current positive atmosphere fanned by the Chinese media, especially coming on the heels of high level visits and Japan's earthquake relief effort. However, the academics stressed that although the relationship is good now, certain factors in Japan, such as another visit to Yasukuni Shrine by Japan's prime minister, could quickly enflame anti-Japanese sentiment in China.

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